

## Blau reaches Net Revenues of R\$618 million and Adjusted EBITDA of R\$185 million in 2017, 43,3% and 78,3% respectively above the previous year

São Paulo, April 23<sup>rd</sup> 2018 - **Blau Farmacêutica, one of the main Brazilian pharmaceutical companies in the non-retail segment**, announced its consolidated financial statements for the fourth quarter (4Q17) and 2017. This document was prepared based on the financial statements as of December 31, 2017 of Blau Farmacêutica SA which were prepared in accordance with accounting practices adopted in Brazil, include the rules of the *Comissão de Valores Mobiliários (CVM)* and the pronouncements of the Brazilian Accounting Pronouncement Committee (CPC). These financial statements are in conformity with the International Financial Reporting Standards - IFRS issued by the International Accounting Standards Board - IASB and were audited by our independent auditors in accordance with Brazilian and international auditing standards.

### Highlights

- Net revenues of R\$618 million, **43,3% above 2016**
- Adjusted EBITDA of R\$185 million, **78,3% above 2016**
- Net Income of R\$103 million in 2017, **an increase of 219,0% over 2016**
- Operating Cash Flow of R\$161 million, **141,8% above 2016**

(R\$ million)	2016	%NR	2017	%NR	Δ%	Δ p.p.
Net Revenues	431	100,0%	618	100,0%	43,3%	-
Gross Profit	179	41,6%	280	45,4%	56,3%	3,8 p.p.
Operational Expenses	(125)	-29,0%	(127)	-20,5%	1,2%	8,5 p.p.
Adjusted EBITDA	104	24,1%	185	30,0%	78,3%	5,9 p.p.
Net Income	32	7,5%	103	16,7%	219,0%	9,2 p.p.
Operational Cash Flow	66	15,4%	161	26,0%	141,8%	10,6 p.p.

	4Q16	%RL	4Q17	%RL	Δ%	Δ p.p.
Net Revenues	124	100,0%	126	100,0%	1,7%	-
Gross Profit	47	37,6%	52	41,7%	12,7%	4,1 p.p.
Operational Expenses	(39)	-31,5%	(37)	-29,6%	-4,4%	1,9 p.p.
Adjusted EBITDA	24	19,7%	22	17,4%	-10,0%	-2,3 p.p.
Net Income	8	6,6%	10	8,0%	24,4%	1,5 p.p.
Operational Cash Flow	28	22,6%	2	1,6%	-92,6%	-21,0 p.p.

### IR Team

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CFO & IRO

**Renato Braun**  
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## Management Letter

2017, when we completed 30 years, was another remarkable period for Blau Farmacêutica. Among other achievements, I highlight the consolidation of our business in Brazil, the expansion in Latin America, recognition as the largest Brazilian laboratory in the hospital segment (non-retail, IQVIA - PPP, 2017), 43,3% net revenues growth between 2016 and 2017 and a sustainable 30,2% revenue growth in the last few years (CAGR 2011-17), the improvements implementation in our processes and controls, more rigorous control of expenses, obtaining expressive and sustainable results.

The Company's corporate governance had a major evolution. We implemented a new Board of Directors with five members, two of whom are experienced independent members (Dr. Antônio Carlos Buzaid - oncologist - and Dr. José Antônio Miguel Neto – business lawyer) and three other elected members with extensive business experience: Mr. Rodolfo A. G. Hahn – chairman of the board, businessman with more than 50 years of experience in the sector in Brazil and Latin America; Mr. Roberto Carlos de Campos Morais - member, current Company's COO and mechanical engineer; besides me – founder, controller and Company's CEO. The wide and diversified experience of board members, also bringing market vision, supports strategic planning, elevates our governance level and broadens our vision for the future. I am sure we have a high level and experienced Board of Directors, with excellent preparation and knowledge, and a flawless reputation. This board has an annual agenda with monthly meetings and is supported by three committees: (1) Auditing (composed only of independent members and coordinates internal auditing), (2) Strategy, Mergers and Acquisitions and (3) Human Resources, Compensation and Governance.

In this period, we have developed and implemented several codes and policies, such as the Code of Ethics and Conduct, Anti-Corruption Policy, Whistleblower Protection Policy, Related Parties Policy, Disclosure Policy, and implement a new independent Compliance and Strategic Risks Management department, among other tools of good corporate governance practices following the new B3's *Novo Mercado* rules implemented in early 2018 (highest governance level at the Brazilian Stock Exchange).

With the external auditing process for IPO preparation and the new controls and processes in place, we have evolved our performance evaluation and identified opportunities for improvement. Among others, I emphasize the production rationalization, batches increase, production by larger scale campaigns, commercial policy adjustments, customizations of the support tool *Sales Force* (control and efficiency of our commercial executives within the SAP system), planning and production improvement, as well as greater control of the Company's costs and expenses.

The combination of the aspects described above with efficient planning and execution brought a significant financial result in 2017, worthy of 30 years celebration of Blau Farmacêutica. Our Net Revenues grew 43,3%, both in the private and public sectors, reaching R\$618 million, especially supported by products from the Biological and Other segments (mainly antiviral and antiretrovirals). Gross Margin increased by 3.8p.p. reaching 45,4%, supported by the improvement in product mix sold. Adjusted EBITDA increased 78,3% to R\$185 million, supported by dilution of operating expenses, in addition to growth in net revenues and gross margin. Consequently, Net Income reached R\$103 million, 219,0% over the previous year also helped by a reduction in financial expenses. In addition, our working capital decreased inventory and receivables days.

### Strategy

Blau Farmacêutica has Research and Development (R&D) as its DNA. This department is focused on highly complex drugs, such as Oncology, Nephrology, Infectiology and Specialties focused on the institutional market (hospital and clinics application). It has extensive expertise in the biotechnological and biological medication development – where we are pioneers in Brazil for about 20 years – as well as in the development of synthetic medication. In recent years, we have invested approximately 3% of net revenues – benefiting from the “Good Law” tax incentives – and we will greatly increase R&D investments in the coming years.

The Company launched in late 2017 a new line of Dermocosmetics products, inaugurated with "Botulim" (Botulinum toxin) – the first of an extensive list of medications in our pipeline for this line.

Through new partnerships, we intend to enter Human Reproduction and Diabetes with quality and affordable medications.

Another investment goal is the significant increase in our manufacturing capacity with state-of-the-art technology pieces of equipment to support our strong sales growth of the current portfolio and new scheduled medication launches in Brazil and Latin America.

### **Challenges**

Despite the excellent 2017 performance, the Company's Board and the Management believes that there is still much to capture.

We have our revenues limited due to lack of production capacity, in addition, we have a portfolio of registered medications that are not being fully marketed and will be re-launched.

We see many efficiency gains to be achieved in various internal processes. With the implementation of efficiency and results meters, we intend to further improve our performance.

### **Federal Government Sales**

2017 was a milestone for the Company despite the Brazilian political difficulties. After 14 years, the Federal Government returned to buy Epoetin Alpha medication through electronic bidding (drug used to treat anemia, usually associated with chronic kidney patients or under chemotherapy treatment). The Ministry of Health purchases had been suspended since 2004 due to market reserve established by an agreement between a Brazilian public laboratory and a Cuban company. The Ministry of Health has again held electronic public auctions for this medication purchase. Blau was the winner with the lowest price and attending the delivery schedule of a product that has been producing for 19 years and exports to 22 different countries.

I feel that we are starting a new phase in the Company. The new Blau Farmacêutica has broadened its horizons and seeks opportunities in the world.

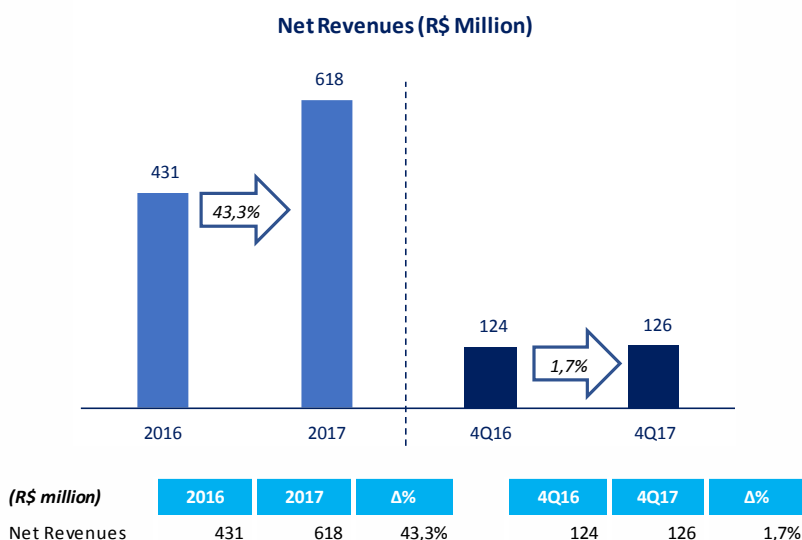
Marcelo R. Hahn  
CEO

## Operational and Financial Performance

### Summarized Income Statement

(R\$ million)	2016	%NR	2017	%NR	Δ%	4Q16	%NR	4Q17	%NR	Δ%
Net Revenues	431	100,0%	618	100,0%	43,3%	124	100,0%	126	100,0%	1,7%
COGS	(252)	-58,4%	(337)	-54,6%	34,0%	(77)	-62,4%	(73)	-58,3%	-5,0%
Gross Profit	179	41,6%	280	45,4%	56,3%	47	37,6%	52	41,7%	12,7%
Operational Expenses	(125)	-29,0%	(127)	-20,5%	1,2%	(39)	-31,5%	(37)	-29,6%	-4,4%
Sales	(22)	-5,2%	(35)	-5,7%	58,5%	(8)	1,7%	(13)	-2,6%	62,5%
Research & Development	(14)	-3,2%	(12)	-2,0%	-9,9%	(4)	-11,0%	(3)	-9,7%	-25,0%
General & Administrative	(89)	-20,7%	(79)	-12,8%	-11,4%	(27)	-22,2%	(22)	-17,3%	-20,9%
Others	14	3,2%	10	1,7%	-24,4%	6	4,9%	4	3,3%	-31,7%
EBIT	68	15,8%	164	26,6%	141,0%	14	11,0%	19	15,4%	42,0%
Net Financial Expenses	(22)	-5,2%	(16)	-2,6%	-28,7%	(6)	-4,8%	(5)	-4,1%	-14,0%
EBT	46	10,7%	148	24,0%	223,2%	8	6,2%	14	11,3%	85,5%
Income Tax and CSLL	(14)	-3,2%	(45)	-7,3%	233,3%	0	0,4%	(4)	-3,3%	-970,4%
Net Income	32	7,5%	103	16,7%	219,0%	8	6,6%	10	8,0%	24,4%

### Net Revenues

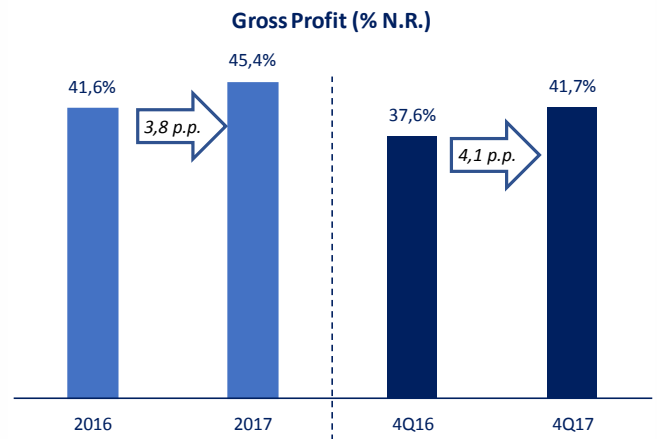
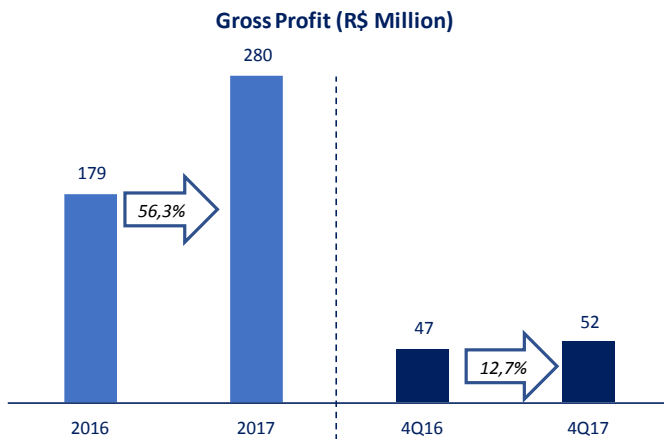


In 2017, net revenues increased by 43,3%, mainly due to strong growth in the Biological, Oncological and Other lines. For these three segments, the increase was mainly due to volume.

In 4Q17, net revenue remained mostly stable over the same period last year. This was mainly due to the segment of specialties with reduction in volumes due to the sharp increase of competition throughout 2017.



## Gross Profit

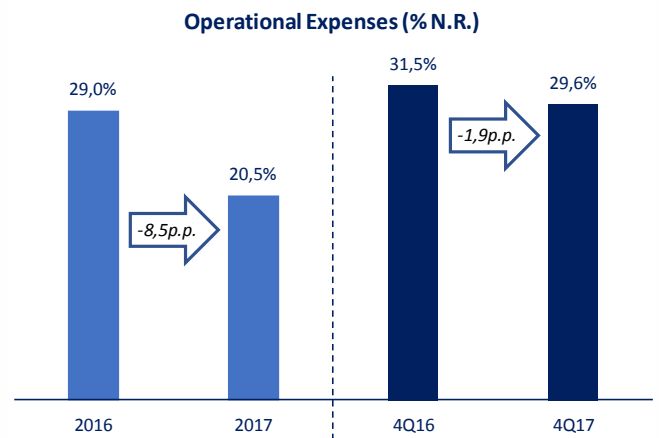
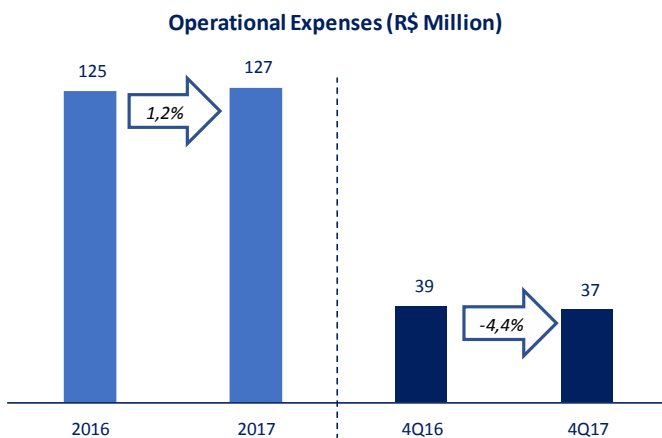


(R\$ million)	2016	%NR	2017	%NR	Δ%	4Q16	%NR	4Q17	%NR	Δ%
Gross Profit	179	41,6%	280	45,4%	56,3%	47	37,6%	52	41,7%	12,7%

In 2017, gross margin increased by 3.8 p.p. mainly explained by an improvement in the mix of products sold (especially in the Biological and Other segments).

In 4Q17, the gross margin also showed an increase of 4.1p.p. for the improvement of the mix due to the increase in the participation of the Biological line.

## Operational Expenses

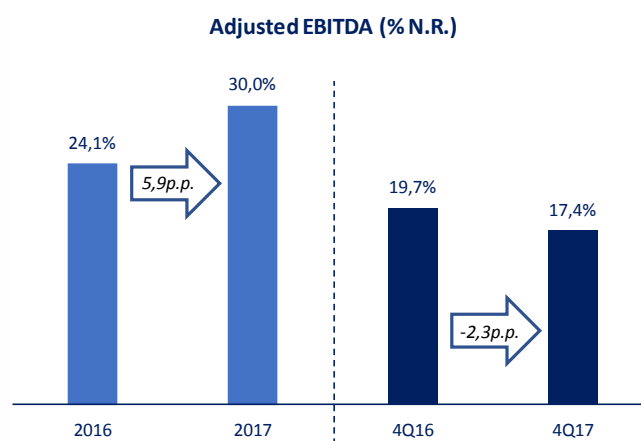
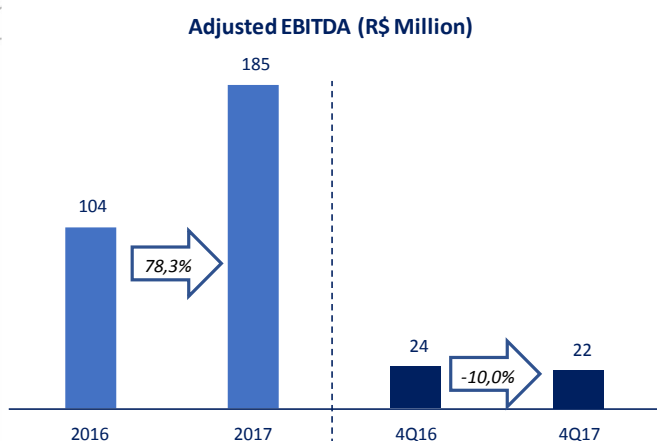


(R\$ million)	2016	%NR	2017	%NR	Δ%	4Q16	%NR	4Q17	%NR	Δ%
Operational Expenses	(125)	-29,0%	(127)	-20,5%	1,2%	(39)	-31,5%	(37)	-29,6%	-4,4%
Sales	(22)	-5,2%	(35)	-5,7%	58,5%	(8)	1,7%	(13)	-2,6%	62,5%
R&D	(14)	-3,2%	(12)	-2,0%	-9,9%	(4)	-11,0%	(3)	-9,7%	-25,0%
General and Administrative	(89)	-20,7%	(79)	-12,8%	-11,4%	(27)	-22,2%	(22)	-17,3%	-20,9%

Blau's operating expenses were diluted in 2017 – 8.5p.p. – mainly due to the effect of operating leverage (increase in sales without corresponding increase in expenses) and discontinuance of rental of land and buildings of the Company (R\$12 million in the first half of 2017).

In 4Q17, this same effect of dilution of expenses – 1.9p.p. – occurred for the same reason mentioned above.

## Adjusted EBITDA



(R\$ million)	2016	%NR	2017	%NR	Δ%	4Q16	%NR	4Q17	%NR	Δ%
Net Income	32	7,5%	103	16,7%	219,0%	8	6,6%	10	8,0%	24,4%
Income Tax and CSLL	14	-3,2%	45	-7,3%	233,3%	(0)	0,4%	4	-3,3%	-970,4%
Net Financial Expenses	22	-5,2%	16	-2,6%	-28,7%	6	-4,8%	5	-4,1%	-14,0%
Depreciation and Amortization	9	2,0%	9	1,4%	1,8%	2	2,0%	3	2,0%	6,7%
<b>Accounting EBITDA</b>	<b>77</b>	<b>17,9%</b>	<b>173</b>	<b>28,0%</b>	<b>125,2%</b>	<b>16</b>	<b>13,0%</b>	<b>22</b>	<b>17,4%</b>	<b>36,7%</b>
Rental	27	6,3%	12	1,9%	-55,4%	8	6,7%	-	0,0%	-100,0%
<b>Adjusted EBITDA</b>	<b>104</b>	<b>24,1%</b>	<b>185</b>	<b>30,0%</b>	<b>78,3%</b>	<b>24</b>	<b>19,7%</b>	<b>22</b>	<b>17,4%</b>	<b>-10,0%</b>

The adjusted EBITDA presented in 2017 was R\$185 million, 78,3% higher than the same period of the previous year, mainly reflecting the increase in net revenue without expenses increasing in the same proportion.

In 4Q17, adjusted EBITDA was R\$22 million, 10,0% lower than the same quarter of the previous year, mainly reflecting the strong competition observed in the Specialties segment.

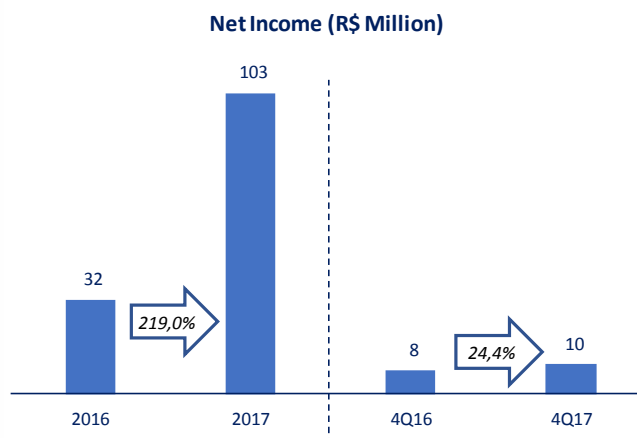
## Financial Expenses

(R\$ million)	2016	%NR	2017	%NR	Δ%	4Q16	%NR	4Q17	%NR	Δ%
<b>Net Financial Expenses</b>	<b>(22)</b>	<b>-5,2%</b>	<b>(16)</b>	<b>-2,6%</b>	<b>-28,7%</b>	<b>(6)</b>	<b>-4,8%</b>	<b>(5)</b>	<b>-4,1%</b>	<b>-14,0%</b>
Fx Variation	13	3,0%	(1)	-0,2%	-111,4%	0	0,2%	(3)	-2,4%	-1166,2%
Net Interest Expenses	(19)	-4,4%	(11)	-1,8%	-41,2%	(3)	-2,3%	(2)	-1,7%	-23,6%
SWAPS	(4)	-0,9%	(4)	-0,6%	1,1%	(2)	-1,6%	(0)	-0,4%	-77,7%
MTMs	(8)	-1,8%	3	0,5%	-140,6%	1	0,5%	1	1,1%	127,8%
Others	(4)	-1,0%	(3)	-0,4%	-42,1%	(2)	-1,6%	(1)	-0,7%	-56,7%

In 2017, net financial expenses were R\$16 million, representing a 28,7% reduction compared to the previous year, mainly reflecting the reduction of the Company's total indebtedness and a lower SELIC rate throughout the year.

The same was observed in 4Q17 compared to the same period of the previous year.

## Net Income



(R\$ million)	2016	%NR	2017	%NR	Δ%	4Q16	%NR	4Q17	%NR	Δ%
EBIT	68	15,8%	164	26,6%	141,0%	14	11,0%	19	15,4%	42,0%
Net Financial Expenses	(22)	-5,2%	(16)	-2,6%	-28,7%	(6)	-4,8%	(5)	-4,1%	-14,0%
EBT	46	10,7%	148	24,0%	223,2%	8	6,2%	14	11,3%	85,5%
Income Tax and CSLL	(14)	-3,2%	(45)	-7,3%	233,3%	0	0,4%	(4)	-3,3%	-970,4%
<b>Net Income</b>	<b>32</b>	<b>7,5%</b>	<b>103</b>	<b>16,7%</b>	<b>219,0%</b>	<b>8</b>	<b>6,6%</b>	<b>10</b>	<b>8,0%</b>	<b>24,4%</b>

Net income for 2017 was R\$103 million, 219,0% up on the previous year, mainly explained by the increase in net revenue, without the respective counterpart of operating and financial expenses.

In 4Q17, net income was R\$10 million, 24,4% higher than the same quarter of the previous year, for the same reasons observed for 2017.

## Net Debt

(R\$ million)	12.31.2016	12.31.2017
Short Term	108	103
Long Term	34	1
<b>Gross Debt</b>	<b>142</b>	<b>104</b>
Cash & Equivalents	(10)	(13)
<b>Net Debt</b>	<b>132</b>	<b>91</b>
<b>Leverage</b>	<b>1,3x</b>	<b>0,5x</b>

Blau's net debt reduced by amortization of loans. The Company's leverage by the end of 2017 was 0,5x adjusted EBITDA 2017.



## Balance Sheet

(R\$ thousand)	12.31.2016	12.31.2017	12.31.2016	12.31.2017
<b>Assets</b>				
<b>Current Assets</b>	<b>222.022</b>	<b>246.332</b>	<b>181.080</b>	<b>222.072</b>
Cash and Cash Equivalents	10.199	13.175	45.998	75.853
Accounts Receivables	98.721	104.111	108.198	102.979
Inventories	104.440	119.080	1.230	1.776
Recoverable Taxes	4.902	6.955	6.279	6.742
Other Assets	3.760	3.011	11.518	13.855
<b>Non-Current Assets</b>	<b>93.702</b>	<b>119.749</b>	<b>37.157</b>	<b>5.673</b>
Long Term Assets	11.573	10.477	33.707	938
Judicial Deposits	1.254	2.373	-	111
Loans - Related Parties	1.462	-	3.450	4.624
Recoverable Taxes	7.455	3.373		
Deferred Income Tax and Social Contribution	1.402	1.953		
Other Assets	-	2.778		
Property, Plants and Equipments	82.129	109.272		
Investments	10	15		
Biologic Asset	306	306		
Property, Plant and Equipment	72.023	99.655		
Intangible Assets	9.790	9.296		
<b>Total Assets</b>	<b>315.724</b>	<b>366.081</b>	<b>315.724</b>	<b>366.081</b>
<b>Liabilities and Shareholder's Equity</b>				
<b>Current liabilities</b>	<b>181.080</b>	<b>222.072</b>		
Suppliers	45.998	75.853		
Loans and Financing	108.198	102.979		
Taxes Payable	1.230	1.776		
Income Tax and Social Contribution	6.279	6.742		
Labour	11.518	13.855		
Other Accounts Payable	7.857	20.867		
<b>Non-Current Liabilities</b>	<b>37.157</b>	<b>5.673</b>		
Loans and Financing	33.707	938		
Deferred Income Tax and Social Contribution	-	111		
Provisions for Contingencies	3.450	4.624		
<b>Shareholders' Equity</b>	<b>97.487</b>	<b>138.336</b>		
Capital	56.070	56.500		
Accumulated profit	-	-		
Profit Reserve	35.631	76.660		
Other comprehensive income	5.786	5.176		
<b>Total Liabilities and Shareholders' Equity</b>	<b>315.724</b>	<b>366.081</b>		

## Income Statement

(R\$ thousand)	2016	%NR	2017	%NR	4Q16	%NR	4Q17	%NR
<b>Net Revenues</b>	<b>430.933</b>	<b>100,0%</b>	<b>617.658</b>	<b>100,0%</b>	<b>123.621</b>	<b>100,0%</b>	<b>125.689</b>	<b>100,0%</b>
Cost of Goods Sold	(251.566)	-58,4%	(337.224)	-54,6%	(77.092)	-62,4%	(73.241)	-58,3%
<b>Gross Profit</b>	<b>179.367</b>	<b>41,6%</b>	<b>280.434</b>	<b>45,4%</b>	<b>46.529</b>	<b>37,6%</b>	<b>52.448</b>	<b>41,7%</b>
Operational Expenses	(125.044)	-29,0%	(126.574)	-20,5%	(38.929)	-31,5%	(37.231)	-29,6%
Commercial Expenses	(35.873)	-8,3%	(47.550)	-7,7%	(11.529)	-9,3%	(15.549)	-12,4%
Administrative Expenses	(89.171)	-20,7%	(79.024)	-12,8%	(27.400)	-22,2%	(21.682)	-17,3%
Others	13.855	3,2%	10.473	1,7%	6.000	4,9%	4.098	3,3%
Equity in Subsidiaries	-	0,0%	-	0,0%	-	0,0%	-	0,0%
<b>EBIT</b>	<b>68.178</b>	<b>15,8%</b>	<b>164.333</b>	<b>26,6%</b>	<b>13.600</b>	<b>11,0%</b>	<b>19.315</b>	<b>15,4%</b>
Net Financial Expenses	(22.234)	-5,2%	(15.846)	-2,6%	(5.945)	-4,8%	(5.114)	-4,1%
<b>EBT</b>	<b>45.944</b>	<b>10,7%</b>	<b>148.487</b>	<b>24,0%</b>	<b>7.655</b>	<b>6,2%</b>	<b>14.201</b>	<b>11,3%</b>
Income Tax and CSLL	(13.611)	-3,2%	(45.359)	-7,3%	470	0,4%	(4.091)	-3,3%
Current Income Tax and CSLL	(14.530)	-3,4%	(45.931)	-7,4%	28	0,0%	(4.315)	-3,4%
Deferred Income Tax and CSLL	919	0,2%	572	0,1%	442	0,4%	224	0,2%
<b>Net Income</b>	<b>32.333</b>	<b>7,5%</b>	<b>103.128</b>	<b>16,7%</b>	<b>8.125</b>	<b>6,6%</b>	<b>10.110</b>	<b>8,0%</b>

## Cash Flow Statement

(R\$ thousand)	2016	2017	4Q16	4Q17
<b>Cash Flows from Operating Activities</b>				
Income (Loss) Before Taxes	45.944	148.487	7.655	14.201
Depreciation and Amortization	8.751	8.912	2.413	2.295
P,P&E and Intangible Assets write-off	3.036	271	892	(6.280)
Financial charges on loans	16.877	10.366	3.306	2.274
Fx variation on loans and provision of SWAP / MTM	(5.779)	(2.247)	4.278	(775)
Variação cambial em fornecedores e clientes / Fx Variatic	259	2.027	3.630	5.398
Equity Method and inventories profit	-	-	-	-
Doubtful accounts	(272)	2.198	(505)	1.703
Inventories Provisions	907	(189)	2.226	(1.555)
Others	960	198	(521)	1.905
Provisions for Contingencies	(2.749)	1.174	(2.887)	876
<b>Adjusted Results</b>	<b>67.934</b>	<b>171.197</b>	<b>20.487</b>	<b>20.042</b>
<b>Decrease (Increase) in Assets</b>	<b>(16.820)</b>	<b>(34.825)</b>	<b>23.004</b>	<b>(12.971)</b>
Trade Accounts Receivable				
Inventories	(12.314)	(14.451)	(1.816)	(19.759)
Recoverable Taxes	1.692	(9.329)	11.861	98
Other credits	6.366	(2.029)	5.361	5.852
Judicial Deposits and Others	(178)	(1.119)	40	(106)
<b>Increase (Decrease) in Liabilities</b>	<b>15.374</b>	<b>24.370</b>	<b>(15.561)</b>	<b>(5.011)</b>
Suppliers	8.743	28.137	(12.221)	7.064
Labor Charges	1.547	2.337	(3.370)	(2.220)
Tax Charges	505	546	(364)	(788)
Income Tax and Social Contribution Provision	(410)	-	(410)	(2.417)
Other Accounts Payable	4.989	(6.650)	804	(6.650)
<b>Cash Provided by Operating Activities</b>	<b>66.488</b>	<b>160.742</b>	<b>27.930</b>	<b>2.060</b>
Paid Income Taxes CSLL	(20.809)	(34.110)	(12.568)	(9.854)
<b>Net Cash Flow Provided by Operating Activities</b>	<b>45.679</b>	<b>126.632</b>	<b>15.362</b>	<b>(7.794)</b>
<b>Cash flows from Investing Activities</b>				
Acquisitions of Property, Plant and Equipment	(14.062)	(36.071)	(2.712)	1.308
Subsidiary acquisition - Preserv S.A.	(2.274)	-	(2.274)	-
Intangible Aquisitions	(513)	(250)	(447)	(213)
Temporary investments of subsidiaries	-	(5)	-	(5)
Capital increase	-	-	-	-
<b>Net Cash Used in Investing Activities</b>	<b>(16.849)</b>	<b>(36.326)</b>	<b>(5.433)</b>	<b>1.090</b>
<b>Cash Flows from Financing Activities</b>				
Dividends and Interest over Capital	(12.712)	(43.418)	(8.513)	(3.266)
Loans and financing	254.149	92.265	16.856	57.585
Related Parties	8.599	1.462	8.599	1.462
Repayment of Loans - Principal	(260.623)	(128.016)	(18.973)	(46.072)
Repayment of Loans - Interest	(16.767)	(10.356)	(6.992)	(1.715)
Resources from Shareholders	-	-	-	(430)
<b>Net Cash Used in Financing Activities</b>	<b>(27.354)</b>	<b>(88.063)</b>	<b>(9.023)</b>	<b>7.564</b>
<b>Cash Variation</b>	<b>1.476</b>	<b>2.243</b>	<b>906</b>	<b>860</b>
<b>Beginning of the period</b>	<b>10.044</b>	<b>10.199</b>	<b>9.960</b>	<b>10.372</b>
Fx Effect on Cash and Cash Equivalents	(1.321)	733	(667)	1.943
End of the Period	10.199	13.175	10.199	13.175
<b>Cash Variation</b>	<b>1.476</b>	<b>2.243</b>	<b>906</b>	<b>860</b>

## *Disclaimer*

This release contains forward-looking statements that are exclusively related to the prospects of the business, its operating and financial results, and prospects for growth. These data are merely projections and, as such, based exclusively on our management's expectations for the future of the business and its continued access to capital to fund its business plan. These forward-looking statements substantially depend on changing market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors, as well as the risks shown in our filed disclosure documents, and are therefore subject to change without prior notice.

In addition, unaudited information herein reflects management's interpretation of information taken from its quarterly information and their respective adjustments, which were prepared in accordance with market practices and for the sole purpose of a more detailed and specific analysis of our results. Therefore, these additional points and data must also be analyzed and interpreted independently by shareholders and market agents, who should carry out their own analysis and draw their own conclusions from the results reported herein. No data or interpretative analysis provided by our management should be treated as a guarantee of future performance or results and are merely illustrative of our directors' vision of our results.

Our management is not responsible for compliance or accuracy of the management financial data discussed in this report, which must be considered as for informational purposes only, and should not override the analysis of our audited consolidated financial statements or our reviewed quarterly information for purposes of a decision to invest in our stock, or for any other purpose.